

# State of South Dakota

NINETY-FOURTH SESSION  
LEGISLATIVE ASSEMBLY, 2019

596B0063

## SENATE BILL NO. 1

Introduced by: Senators Maher, Bolin, Monroe, Nesiba, and Youngberg and Representatives Smith (Jamie), Bartels, Duvall, and Schoenfish at the request of the Extraordinary Cost Fund for Special Education Study Committee

1 FOR AN ACT ENTITLED, An Act to add a legislator to the membership of the Extraordinary  
2 Cost Oversight Board, to establish the board in statute, and to repeal the administrative rules  
3 creating the board.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That chapter 13-37 be amended by adding a NEW SECTION to read:

6 There is hereby established an Extraordinary Cost Oversight Board within the Department  
7 of Education. The board shall review all school district requests for extraordinary cost funds as  
8 provided in § 13-37-40. The board shall meet at least once a year and recommend to the  
9 secretary of education those school districts that should be approved for extraordinary cost fund  
10 expenditures and those school districts that should not be approved for extraordinary cost fund  
11 expenditures. The secretary has the final authority to approve or deny extraordinary cost fund  
12 expenditures.

13 Section 2. That chapter 13-37 be amended by adding a NEW SECTION to read:

14 The oversight board established in section 1 of this Act shall consist of seven members. The



1 membership shall include one member of the Legislature appointed by the Executive Board of  
2 the Legislative Research Council, and six members appointed by the secretary of education. The  
3 members appointed by the secretary shall include representatives from each of the following:

- 4 (1) The Department of Education;
- 5 (2) A school district with a fall enrollment of six hundred or more;
- 6 (3) A school district with a fall enrollment of more than two hundred, but less than six  
7 hundred; and
- 8 (4) A school district with a fall enrollment of two hundred or less.

9 The secretary shall use a staggered appointment schedule when appointing members, and  
10 no member may serve on the board for more than five years. The secretary shall also appoint  
11 alternate board members to serve in place of any board member representing a school district  
12 who may have a conflict of interest. An alternate shall serve the same term as the equivalent  
13 board appointee.

14 Section 3. That § 13-37-46 be amended to read:

15 13-37-46. The secretary of the Department of Education shall promulgate and review rules  
16 which further define special education processes regarding student identification; and the  
17 placement committee process, ~~and create an extraordinary cost oversight board.~~ Any appeal of  
18 a local district's determination relating to special education or special education and related  
19 services shall be referred to the secretary of the Department of Education. The hearing shall be  
20 conducted by the secretary in accordance with the contested case provisions of chapter 1-26. ~~The~~  
21 ~~secretary of the Department of Education shall report to the Legislature in January 1996, on the~~  
22 ~~progress of the department in exercising the above rule-making authority with a final set of rules~~  
23 ~~delivered to the Governor and Legislature by November 1, 1995. In addition, the secretary shall~~  
24 ~~prepare a model for the statewide implementation of §§ 13-37-35.1 to 13-37-46, inclusive,~~

1 ~~including a report of cost allocation figures of §§ 13-37-35.1 to 13-37-46, inclusive, to be~~  
2 ~~delivered to the Governor and Legislature by November 1, 1995.~~

3 Section 4. That ARSD 24:05:33.01:01 be repealed.

4 ~~24:05:33.01:01. Extraordinary Cost Oversight Board. The department shall establish an~~  
5 ~~Extraordinary Cost Oversight Board to review all school district requests for extraordinary cost~~  
6 ~~funds. The board shall meet a minimum of once a year and shall recommend to the secretary~~  
7 ~~those districts which should be approved for extraordinary cost fund expenditures, as well as~~  
8 ~~those districts which should not be approved for such expenditures.~~

9 ~~—The secretary has final authority to approve or deny extraordinary cost fund expenditures.~~

10 Section 5. That ARSD 24:05:33.01:02 be repealed.

11 ~~24:05:33.01:02. Terms of board members. The secretary shall appoint seven members to~~  
12 ~~the Extraordinary Cost Oversight Board. Appointment to the board is limited to a maximum of~~  
13 ~~five years. The secretary shall use a staggered appointment schedule when appointing members.~~

14 Section 6. That ARSD 24:05:33.01:03 be repealed.

15 ~~24:05:33.01:03. Composition of board. The membership of the Extraordinary Cost~~  
16 ~~Oversight Board shall include representatives from each of the following groups:~~

17 ~~—(1) Department of Education;~~

18 ~~—(2) School districts with an average daily membership of 2,000 or greater;~~

19 ~~—(3) School districts with an average daily membership of 360 to 2,000;~~

20 ~~—(4) School districts with an average daily membership of less than 360.~~

21 Section 7. That ARSD 24:05:33.01:04 be repealed.

22 ~~24:05:33.01:04. Board alternates. The secretary shall appoint alternates for the board~~  
23 ~~members as follows to serve in place of a board member who may have a conflict of interest:~~

24 ~~—(1) School districts with an average daily membership of 2,000 or greater;~~

- 1 ~~—(2) School districts with an average daily membership of 360 to 2,000;~~
- 2 ~~—(3) School districts with an average daily membership of less than 360.~~
- 3 ~~—Alternates shall serve the same term as the equivalent board appointee.~~